

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 553 – SB 562**

March 5, 2017

**SUMMARY OF ORIGINAL BILL:** Creates an initiative on Historically Black Colleges and Universities (HBCUs) for the purpose of providing oversight to focus on ways HBCUs can increase participation in state programs and other initiatives that will increase the number of graduates from HBCUs in Tennessee. The initiative shall operate as a division of the Consortium of HBCUs. Authorizes the initiative to appoint a board of advisors to ensure that the goals of the initiative are met.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures – Exceeds \$10,000

Other Fiscal Impact – The Consortium of Historically Black Colleges and Universities does not exist because funds have never been appropriated for such purpose.

**SUMMARY OF AMENDMENT (003961):** Deletes and rewrites the bill such that the only substantive change is authorizing and directing the Tennessee Higher Education Commission (THEC) to facilitate strategy development and coordinated implementation by the initiative and the partnership to accomplish the key tasks of the initiative.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures - Exceeds \$97,700**

Assumptions for the bill as amended:

- THEC would require one staff position to coordinate and implement the initiative.
- Funding for the position would require a recurring appropriation from the General Fund.
- Based on the information provided by THEC, the recurring increase in state expenditures from the General Fund is estimated to be \$87,710 (\$65,000 salary + \$17,710 benefits + \$5,000 travel reimbursements)
- Recurring funding in an amount estimated to exceed \$10,000 would be required for the initiative to work with all state entities, the private sector, philanthropic organizations,

and other partners to increase the capacity of HBCUs to provide the highest quality education to a greater number of students.

- The total recurring increase in state expenditures from the General Fund is estimated to exceed \$97,710 (\$87,710 + \$10,000).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/rbp